

TABLE OF CONTENTS

SECTION 4 PROPOSED ENVIRONMENT	1
4.1 PURPOSE	1
4.2 STATE VISION.....	1
4.3 OVERVIEW OF PROPOSED STATE ENVIRONMENT	2
4.3.1 Major Objectives.....	2
4.3.2 DGS/TD Oversight	4
4.3.3 Contractor Responsibility	4
4.4 REQUIRED NETWORK SERVICES	4

SECTION 4

PROPOSED ENVIRONMENT

4.1 PURPOSE

This Section provides interested parties an overview of the proposed telecommunications environment envisioned by the Department of General Services, Telecommunications Division (DGS/TD). The Department's authority and responsibility for ensuring that cost effective and efficient telecommunications services are available for use by state and local government, and the general approach for this RFP are addressed for reference in Section 1, Introduction, and Section 3, Current Environment. This section is intended to communicate proposed service enhancements and changes in contract management and oversight requirements not identified in Section 3.

4.2 STATE VISION

In 1998 the Department of General Services with award of the CALNET services contract, initiated the first phase of a state strategy to establish a new telecommunications model for the State of California. This model was designed to replace an environment of heterogeneous, state owned networks with an integrated, flexible, and efficient statewide multifunctional service relying to the greatest extent feasible on contractor-owned and provided infrastructure. The experience gained from the CALNET contract has validated the State's strategic direction. The State's vision is:

- Owning and operating wide area networks (WANs) are neither core competencies nor core responsibilities of the State; thus, the State's telecommunications network(s) will continue to be procured from, and operated by, private contractor(s) under the oversight of DGS/TD.
- For a consolidated, flexible, responsive, secure, survivable, efficient and cost-effective telecommunications infrastructure that provides seamless end-to-end interoperability for voice, data and video services, whether separately or as part of a converged service.
- Where feasible, multiple contractors should provide increased diversity and competition that would lead to lower prices, more customer choices, and the capability to obtain and rapidly deploy new technologies. (This may include other contracts for services besides CALNET II.)
- State acquisition processes and requirements should allow for flexibility, and for refreshing or adding new technology through the life of the contract (refer to the proposed Contract in Appendix B, Section 67).

4.3 OVERVIEW OF PROPOSED STATE ENVIRONMENT

The requirements of this RFP will address the wide variety of State and local government business and technical requirements in the context of the State vision. The requirements of this RFP will identify the commitment required to help ensure a smooth transition to the new contract, provide for continuous modernization of the infrastructure, and rapid deployment of new technologies to meet the State's ever-increasing telecommunications demands.

Considering both state and local government telecommunications business needs, the State will continue to:

- 1) Develop and implement strategies and policies that will satisfy the State vision, including taking advantage of technology improvements (i.e. refreshing of technology, and convergence of voice, video and data networks and applications);
- 2) Perform contract management and oversight responsibilities to ensure network performance, cost competitive services, and contract terms and conditions are adhered to.
- 3) Obtain economies of scale through the State's leveraged buying power, require pricing strategies that benefit the State as a whole, provide for Service Level Agreements (SLAs) that are industry standard or better, and pursue other related efficiencies and protections.
- 4) Maintain the ability to substitute or discontinue (off-ramp) contracted services that do not meet customer and/or contract requirements (this includes non-exclusivity provisions, substitute services alternatives, or off-ramping of service types.)

4.3.1 Major Objectives

Listed below are the major objectives the State wishes to achieve through a competitively bid statewide contract.

- Obtain cost effective, reliable, and secure telecommunications products and services consistent with the MSA, for State and local government agencies as provided for by the State vision, strategies and policies.
- Consolidation of the State's telecommunications buying power through standard statewide pricing (with provisions for contractor to offer lower prices for specific applications or services on an individual case basis when appropriate).
- No cost to existing customers to migrate to replacement services; contractor must plan and communicate how this migration would be accomplished in the least disruptive way.
- A non-exclusive contract model with a single prime contractor where the contractor will be given the opportunity within the Contract terms to provide competitive pricing or services consistent with State policy (Management Memo

04-08 or its updated versions) before the State exercises its option to obtain services from alternative suppliers.

- Establish contract amendment criteria and processes to enable the contract to be modified expeditiously to add new service/features, reduce rates, or change other terms and conditions
- Establish business practices with the contractor to manage, deploy and implement services and sophisticated network monitoring capabilities, applicable reports and customer training.
- Ongoing and periodic in-depth reviews of service maintenance and provisioning strategies in the best interest of the customer, including the ability to manage, track and report on large projects, and to make adjustments in contractor pricing.
- Assessment of options for failure to meet contract terms and conditions, and other designated rights and remedies for the State, with the ability to discontinue or substitute services as determined by DGS/TD, with advisory input from customers and contractor.
- Continued support of Federal Universal Service Fund programs that assist qualified schools and libraries in obtaining cost effective telecommunications services.
- Billing invoice systems used by the contractor and/or affiliates and subcontractors will provide the same invoice format and detail and non-contract service items will be indicated with unique identifiers. Any request by customers for special invoice requirements will be pre-approved by DGS/TD.
- Confirmation and demonstration through Bidder response that the state will not be subject to taxes and surcharges that are not expressly mandated by the Federal Communications Commission, California Public Utilities Commission, or other taxing authority to be collected from the end user of the subscribed service.
- The prime contractor will accept full responsibility to perform as the statewide Single Point of Contact for all contract requirements, including service design, ordering, provisioning, maintenance, training, trouble reporting, and invoicing. This responsibility also includes the conduct of the prime, its affiliates, or subcontractors in complying with the terms and conditions of the contract. The prime contractor will comply with the state's vision for an effective contractor/state business relationship based on the services and business principles defined in this RFP.
- The prime contractor, its affiliates, or subcontractors, as an integral part of the business relationship envisioned by the state in the RFP, are expected to provide without charge, consultative business assistance to agencies in the planning, selection, application, and cost effective use of contract services.

- The contractor will commit pursuant to provisions of performance deficiency charges, that corporate staff and resources commensurate with the size and complexities of the contract, will be assigned to support services throughout the term.
- The contractor will inform the state in writing, or if permissible, make available any agreements with affiliates or subcontractors that impact the terms and conditions of the contract.

4.3.2 DGS/TD Oversight

The DGS/TD will:

- Exercise statewide management and oversight of contract utilization and deployment, including contractor provisioning and maintenance of products and services.
- Perform a strong customer advocate role to ensure the contractor continuously provides responsive service to customers.
- Provide centralized contract management and oversight to monitor adherence to terms and conditions by the contractor, and to validate cost effectiveness of the contract.

4.3.3 Contractor Responsibility

The Contractor will:

- Comply with the requirements defined in the RFP and subsequent Contract, including the business support and technical requirements detailed in Section 6, Business and Technical Requirements.
- Comply with the terms and conditions of the contract.
- Ensure that key personnel as defined below and support staff and/or resources are in place upon award of the Contract and available to support Contract implementation.
- Submit within 30 days of the Contract effective date, and annually thereafter, a Business Plan as referenced in Appendix B, Model Contract Language, Section 52, (f) that demonstrates that qualified staff and resources are available to support the activities consistent with the terms and conditions of the Contract. The Business Plan shall include elements that will provide at a minimum:
 - Identity of appropriate staff resources dedicated to the Contract, as demonstrated by:
 - A list of personnel classification assigned with required skills defined for each classification
 - An organization chart of personnel assigned to the Contract

- Brief resume statements of key management for the Contract, including but not limited to the following:
 - a) Executive Officers
 - b) Dedicated Contract Program Manager
 - c) Implementation/Project Manager (as applicable to transition completion)
 - d) Operations Manager
 - e) Marketing Manager
 - f) Technical Manager
- All key management must be available to work in California at the request of the State and at the State's designated location, and at no cost to the State

4.4 REQUIRED NETWORK SERVICES

The State has requirements for a broad range of voice network, line-side, data, video and other telecommunications services. The DGS/TD requires the contractor at a minimum to provide those services listed in Section 3, Current Environment and detailed in Section 6, Business and Technical Requirements.

In addition, the State recognizes the telecommunications environment is moving towards Convergence that may impact how it conducts business in the future. To ensure it can

take advantage of future technologies, this RFP includes technologies detailed in Section 6.8, Alternate Technologies, listed below:

- Voice of Internet Protocol (VoIP) (Mandatory-Optional)
- Multiple Protocol Label Switching (MPLS) Services (Desirable)
- Managed IP Based Video Conferencing Services (Desirable)
- Net Conferencing (Desirable)

Because of the rapid advancement of technologies, uncertainties of the regulatory environment, and DGS statutory responsibilities addressed in Section 1, the implementation and deployment of alternate technologies cited herein and those that may be proposed for consideration, will be solely at the direction and discretion of the DGS/TD.

Following award of the MSA, the State will evaluate the alternate technologies with consideration for technical requirements, business applications, cost effectiveness, and customer need, to determine if the service will be deployed on a case-by-case basis, implemented as a pilot program, or unilaterally made available through the contract.